



February 16, 2001

SENATE BILL No. 258

DIGEST OF SB 258 (Updated February 13, 2001 11:42 AM - DI 92)

Citations Affected: IC 6-2.5; IC 8-14.

Synopsis: Sales tax on motor fuel. Provides that 10% of the sales taxes collected on gasoline and special fuel shall be distributed among certain funds for airport development, high speed rail development, public mass transportation, industrial rail service, and commuter rail service. Provides that the remaining 90% of the sales taxes collected on gasoline and special fuel shall be distributed to the highway, road and street fund (55% of the money deposited into this fund is transferred to the state highway fund for use by the Indiana department of transportation, with the remaining 45% transferred to the local road and street account for use by local units of government). Makes conforming changes.

Effective: July 1, 2001.

**Riegsecker, Kenley, Jackman, Clark,
Landske**

January 11, 2001, read first time and referred to Committee on Transportation and Interstate Cooperation.
February 15, 2001, amended, reported favorably — Do Pass; reassigned to Committee on Finance.

SB 258—LS 6457/DI 44+



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February 16, 2001

First Regular Session 112th General Assembly (2001)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2000 General Assembly.

SENATE BILL No. 258

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-2.5-7-16 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2001]: **Sec. 16. (a) The department shall transfer the state gross**
4 **retail taxes that are collected under this chapter to the auditor of**
5 **state for distribution in the following manner:**

6 **(1) Two percent (2%) to the airport development grant fund**
7 **established by IC 8-21-11-4.**

8 **(2) One percent (1%) to the high speed rail development fund**
9 **established by IC 8-23-25-1.**

10 **(3) Five percent (5%) to the public mass transportation fund**
11 **established by IC 8-23-3-8.**

12 **(4) One percent (1%) to the commuter rail service fund**
13 **established by IC 8-3-1.5-20.5.**

14 **(5) One percent (1%) to the industrial rail service fund**
15 **established by IC 8-3-1.7-2.**

16 **(6) Ninety percent (90%) to the highway, road and street fund**
17 **established by IC 8-14-2-2.1.**

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(b) The auditor of state shall hold all amounts transferred by the department under subsection (a) during a particular month and shall distribute all of those amounts in the manner provided by subsection (a) on the fifth day of the immediately succeeding month.

SECTION 2. IC 6-2.5-10-1, AS AMENDED BY P.L.253-1999, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 1. (a) The department shall account for all state gross retail and use taxes that it collects.

(b) After the transfers required by IC 6-2.5-7-16, the department shall deposit those collections in the following manner:

(1) Forty percent (40%) of the collections shall be paid into the property tax replacement fund established under IC 6-1.1-21.

(2) Fifty-nine and three-hundredths percent (59.03%) of the collections shall be paid into the state general fund.

(3) Seventy-six hundredths of one percent (0.76%) of the collections shall be paid into the public mass transportation fund established by IC 8-23-3-8.

(4) Four hundredths of one percent (0.04%) of the collections shall be deposited into the industrial rail service fund established under IC 8-3-1.7-2.

(5) Seventeen hundredths of one percent (0.17%) of the collections shall be deposited into the commuter rail service fund established under IC 8-3-1.5-20.5.

SECTION 3. IC 8-14-2-2.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 2.1. The auditor shall create a special fund to be known as the "highway, road and street fund" for the deposit of the revenues from:

(1) the gasoline and special fuel taxes dedicated to the fund under IC 6-6-1.1-802 and IC 6-6-2.5; and

(2) the increases in fees levied under IC 9-29-4, IC 9-29-5, IC 9-29-9, and IC 9-29-11, which increases are attributable to Acts 1969, Chapter 321, SECTION 1; and

(3) the state gross retail taxes on gasoline and special fuel dedicated to the fund under IC 6-2.5-7-16.

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SENATE MOTION

Mr. President: I move that Senator Clark be added as coauthor of Senate Bill 258.

RIEGSECKER

SENATE MOTION

Mr. President: I move that Senator Landske be added as coauthor of Senate Bill 258.

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COMMITTEE REPORT

Mr. President: The Senate Committee on Transportation and Interstate Cooperation, to which was referred Senate Bill No. 258, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, line 10, delete "six" and insert "**five**".

Page 1, line 10, delete "(6%)" and insert "**(5%)**".

Page 1, between lines 13 and 14, begin a new line block indented and insert:

"(5) One percent (1%) to the industrial rail service fund established by IC 8-3-1.7-2."

Page 1, line 14, delete "(5)" and insert "**(6)**".

and when so amended that said bill be reassigned to the Senate Committee on Finance.

(Reference is to SB 258 as introduced.)

RIEGSECKER, Chairperson

Committee Vote: Yeas 9, Nays 0.

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